

# Impact of Covid-19 on Hospitality Industry

Dr. Asha Chaudhary\*

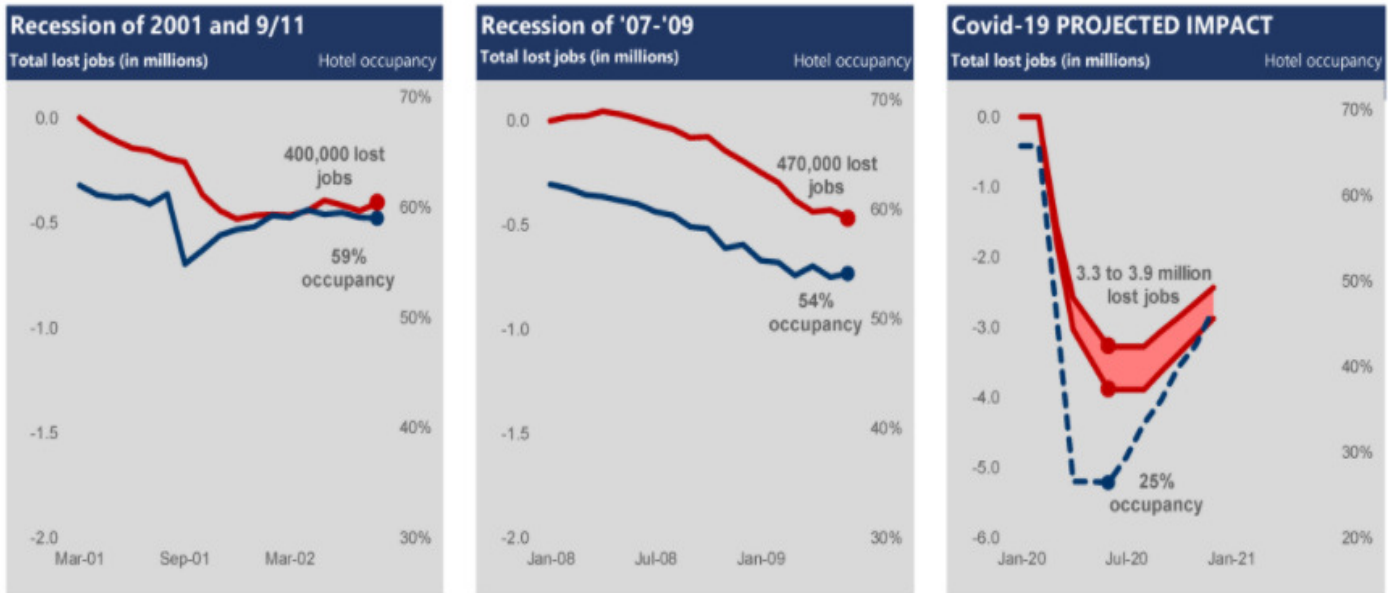
**Abstract:** The COVID-19 disease began at the end of 2019 and started threatening the health and lives people. It is highly contagious and causing severe health issues. Government has declared the scenario as a public health emergency and also adopted stringent measures to stop the spread of disease and contain the same. The measures adopted by government resulted in a severe drop in foreign and domestic travel, across tourism and business traveller sections. This paper has made an attempt to explore the affect of COVID-19 on Hospitality Industry in India. The data has been collection through online questionnaire. The finding indicated that the industry is badly hit by the COVID-19 pandemic.

## 1. INTRODUCTION

The COVID-19 disease emerged at the end of 2019 and started

threatening the health and lives of people. It is a contagious disease with the possibility of causing severe health issues. This disease has speedily affected the country. Government has declared the scenario as a public health emergency and also adopted stringent measures to stop the spread of disease and contain the same. The measures adopted by government resulted in a severe dip in foreign and domestic travel. The COVID-19 disease has now achieved pandemic status. In COVID-19, India's hotel and hospitality industry's business has dropped harshly in the first quarter of 2020 and in the third week of March 2020, hotels' sector viewed a drop of more than 65%. Due to this COVID-19 deadly pandemic the Hotel and Hospitality Industry revenue is impacted badly. The coronavirus pandemic has given a crippling blow Hospitality Industry.

## COMPARISION TO OTHER FINANCIAL CRISES



Source: <https://www.ahla.com/covid-19s-impact-hotel-industry>

The impact of COVID-19 can be harsh if it is not contained immediately. According to the World Travel and Tourism Council, "COVID-19 pandemic scenario could takeaway 50

million employments across the world in travel and tourism industry and Asia, among all continents, is anticipated to be the worst impacted".

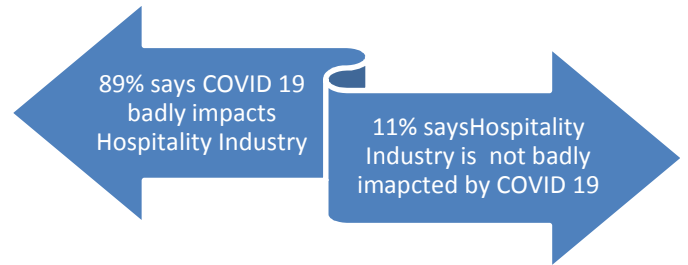
\*Assistant Professor, Department of Business Administration, Maharaja Surajmal Institute, New Delhi, India, ashachaudhary@msi-ggsip.org

**2. OBJECTIVE OF THE STUDY**

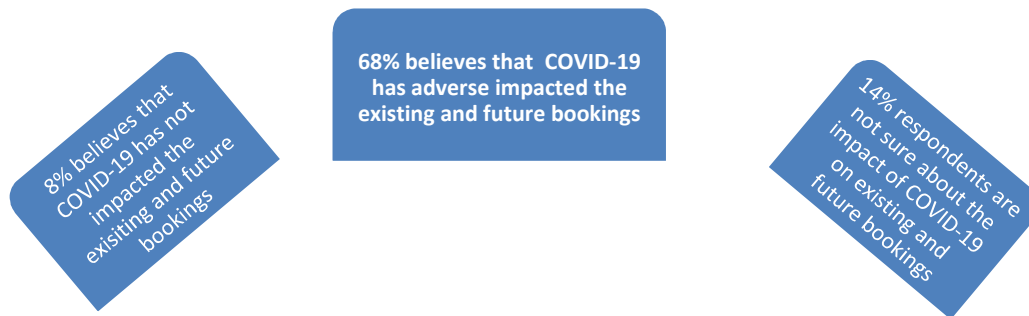
The present paper tries to study the impact of COVID-19 on Hospitality Industry. For the same the data has been collected through the structured questionnaire through online.

**3. ANALYSIS OF THE STUDY**

- The research paper collected response on the “Impact of COVID-19 on Hospitality Industry”. From the analysis of the data collected it was interpreted that the Hospitality Industry is badly affected by the COVID-19 pandemic. COVID-19 outbreak resulted in a harsh dip in foreign and domestic travel. Due to pandemic, mandatory lockdown implemented resulting in almost no movement of people.



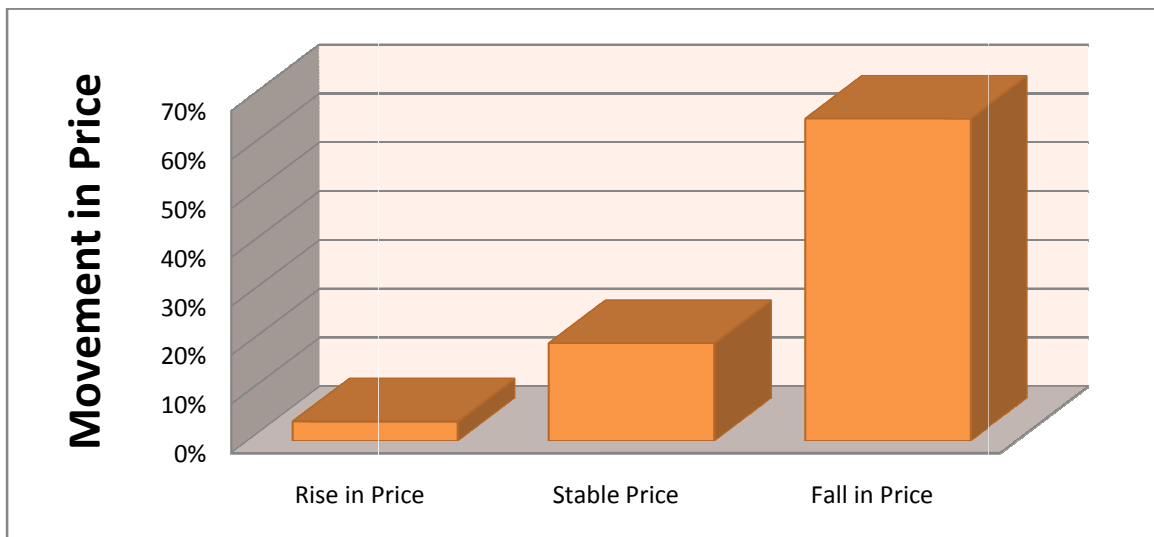
- The present research collected data on “Impression of COVID-19 on existing and future bookings



After analyzing the data it was concluded that 68% of the respondents believe that COVID-19 has affected the existing and future bookings of hospitality Industry. COVID-19 is highly contagious disease which spreads very quickly. Therefore government has issued guidelines and people taking

precautions by not travelling or staying at hostels which is at high risk.

- Data collected on “Extend to which Price of bookings have been affected due to COVID-19”



After analysing the data it was concluded that due to COVID-19 break out and lockdowns there is fall in demand for hotel stays. Due to this hospitality industry is facing loses. In order to survive, hospitality industry is lowering the price after the unlock scenario so as to attract people.

- Data collected on “Time needed to come back in Business”.



After analyzing the data it was found that majority respondents believe that Hospitality Industry would take more than 9 Months to come back in Business. The data collected and analysed indicate that COVID-19 will have a very long impact on Hospitality Industry.

#### 4. RECOMMENDATION

Hospitality Industry should proactively take precautionary steps to cope with the COVID-19 impact like device a subtle digital and social media marketing approach in order to hold mindshare of clientele, Develop and sustain communication channels with important clients, remain in discussion with relevant local government authorities, ensure proper hygiene and proper sanitization, proper social distancing and use of mask. In this new normal, Hospitality Industry has to adapt with the change in the environment and follow the new normal in order to be back in progressive stage.

#### REFERENCES

[1] Menegaki, A.N. Hedging Feasibility Perspectives against the COVID-19 for the International Tourism Sector. 2020.

Preprints 202004.0536.v1. Preprints. Available online: <https://www.preprints.org/manuscript/202004.0536/v1>.

[2] Nazneen, S.; Hong, X.; Ud Din, N. COVID-19 Crises and Tourist Travel Risk Perceptions. 2020. *ssrn.3592321*. SSRN. Available online: [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3592321](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3592321).

[3] Centeno, R.S.; Marquez, J.P. How much did the Tourism Industry Lost? Estimating Earning Loss of Tourism in the Philippines. *arXiv 2020*, *arXiv:2004.09952*. Available online: <https://arxiv.org/abs/2004.09952>

[4] Priyadarshini, I. A Survey on some of the Global Effects of the COVID-19 Pandemic. 2020. *rs.3.rs-20842/v1*. Research Square. Available online: <https://www.researchsquare.com/article/rs-20842/v1>.

[5] Jain, S. Effect of COVID-19 on Restaurant Industry–How to Cope With Changing Demand. 2020. *ssrn.3577764*. SSRN. Available online: [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3577764](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3577764) (accessed on 21 April 2020).

[6] Jain, S. Would Hotel Industry Have to Redo the Rooms/Housekeeping Standards Post COVID? Instilling Greater Confidence to Bring Back the Customers. 2020. *ssrn.3587897*. SSRN. Available online: [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3587897](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3587897) (accessed on 30 April 2020).